

***Amended Minutes of the Waste Tire Working Group**
Approved March 1, 2012

Waste Tire Working Group
Meeting Notes
December 5, 2011

Call to Order: The 3rd meeting of the Commonwealth of Kentucky Waste Tire Working Group (KY WTWG) was held in Frankfort, KY at 300 Fair Oaks Lane on December 5, 2011. The meeting convened at 9:35 a.m. Chairman Tony Hatton presiding.

Members in attendance: Keith Brock, Mary Dickey, Tony Hatton, Chris Fitzpatrick, John Roberts. All members were present.
Meeting notes from last meeting reviewed.
Minutes adopted by all, motion by Hatton, 2nd by Fitzpatrick

Old business:

Formulation of Waste Tire Report by George Gilbert. Terry Gray, consultant, contacted processors and users to verify numbers. Preliminary numbers are from 2010 and 2011. Generation number of 5 million tires based on national sales tires figures. 50,300 tons. 92% reuse rate, 8% disposal rate in 2010. 2011 numbers down to 81% reuse and 19% disposal. Outer Loop did not bill of sale; main reason for drop. 20% from Outer Loop are from southern Indiana. Numbers are not final. Will be in report out before Jan. 15.

Draft summary of George Gilbert's notes to be distributed.

In-state tire derived fuel 2010 usage 8490 tons about 850,000 tires. State funded grants. 2011 Cemex state used 16,000 tons. Total 1.7million tires.

Alternatives in markets and technology-melting tires down, selling crumb rubber. Explore buying machine to melt tires. Facilitating a higher end use than just burning. Piralisos plant not recommended. Toyota-0 waste. Haul everything and all that is not recycled taken to Indiana burned waste to energy. \$132 ton plus \$900 ton. Need to partner with industry to make the best use. Benefits to rubberized asphalt.....

Discussed with Transportation in past on rubberized asphalt. Will do again. Have to also talk with pavers, contractors, etc. Full savings kicks in when it lasts twice longer. Federal highway is pushing asphalt shingles.

Fact Sheets

“For Consumers”

Be useful to let consumers know of consequences. Subject to a civil penalty up to \$1000 and general penalty provision of 224.

Still doesn't discourage public from taking tire home. E version distributed and revisions welcome. Statement of managing them properly could be added. Consider including education of managing tires

if not leaving them with retailer. Under 868....dispose of it under 224. Less than 100 tires consumer is subject to environmental performance standards. Proper management would be storing them in a manner that they would be covered. Encouraged to take e version and revise before next meeting.

“For permittees”

Change in 2nd paragraph added notice dealing with recordkeeping and receipt. Using language in HB433 implementing intent of bill.

Group asked for comments from Solomon and Gilbert. Fact sheet doesn't have to track statutory language verbatim. Wording puts notice on processor. Fact sheet should be forwarded to processors. \

Processors should be added as a bullet item under who must register and receive approval.

“For retailers”

Addition of 1st statement in red. Discussion on wording of “should” and “shall” and enforcement of retailers to encourage consumers to leave waste tires. Will change to “shall” and note in accordance with KRS224.50 section 2 (2). Change to beginning of fact sheet starting with 2010 General Assembly noting state law.

All fact sheets should be revised to begin with General Assembly noting state law.

Can we require retailers to make fact sheets available to consumer?

Statute states posting notice a place of sale. Person purchasing new tires to replace tire comply with subsection. Also to include new tire buyer.....to oversee the management of waste tires. Maintain use of shall throughout fact sheets.

KRS224.50 866 “notice”

To be posted at place retail tire sales are made. Mary to draft sentence to include in notice about managing tires to be kept out of water. Question about motor vehicle tire and not any tire. Recommend that there is clarity and consistency. Issue of disposal that is not addressed that are not motor vehicle tires. Removing motor vehicle tire in notice with negate the law. Not what the statute reads. Approach would be to change the language for consistency or change the law. Adding information point on properly managing tires if taking home and carry into information point about managing.

“For storage & transfer requirements for retailers”

Pull in loophole closing phrase about the processor or transporter who arranges for out of state disposal giving a receipt back to the retailer within 30 days. Then the retailer having to notify the Division if they don't get it in that amount of time. Refer to 2010 legislation instead of 1998 to be consistent with other fact sheets.

1st set of bullet points are storage requirements for accumulators, transporters and processors under statute 860. Did not change from 833.

Statute says a person required to register as an accumulator, transporter or processor of waste tires “shall”. Bullets are paraphrase from statute. Request was made that the Fact Sheet be very specific as to who this is applying to because the statute is very specific.

Only change in draft was to pull in receipt issue and beginning with reference to more current legislation consistent with all FACT sheets and circulate to all members of workgroup when complete.

Jon Maybriar, Field Operations Branch, to speak in future meeting regarding overnight storage of retailers.

Several changes will be made to Fact Sheets and Notice by Mary Dickey & Chris Fitzpatrick before next meeting.

Copy of George Gilbert's Draft Summary Notice was distributed as requested.

Issues for Discussion or Crosswalk

Effort was to identify tasks committee is to address. List of issues that deal with alternative methods of dealing waste tires which is the charge under HB433

1. Statement of issue: Consumers are taking waste tires away rather than leaving at the retailer for proper disposal. Some of those tires are then dumped. That results in an environmental and public health impact and clean-up costs. This is a different issue than waste tires being brought in from retailers to amnesty.
 - a. Core fee and sub-issues: How would the core fee work? What would the fee be? How would it be set? Who would retain that fee? How would the fee be enforced?
 - (i) Major barrier is the issue that it looks like a new fee. Only a new fee is someone chooses it to be.
 - (ii) Consumers taking tires away from a retailer, and some tires not being properly managed, is a challenge for waste tires in KY.
 - (iii) Hard to determine type of solution to bring without knowing how many tires are not being stored improperly. Workgroup has acknowledged there is a problem that is significant enough to require some type of solution. One barrier is that people would not accept it.
 - (iv) 118,000 tires brought in from non-retailers in one county. Society is not accustomed to core charges. Fees on parts of automobiles are already a practice such as lead acid batteries, instrument panels, windshield motors, master cylinders, brake boosters, computers, fuel injectors, brake, starters, alternators, master air flow sensors, engines, transmissions. SWACK is planning on moving forward with core fee.
 - b. Require one for one. Require consumers to leave the tires with the retailer. We already require the retailer to accept one for one but we don't require every consumer to leave every tire with the retailer. This is an alternative method to dealing with accumulation of waste tires.
 - c. A carve out for people who can certify that they will only use it for agriculture. How would they certify? Would there be a form? Would there be follow up with enforcement?
 - d. Continue the current approach allowing the retailer to charge disposal fee but possibly cap it at some amount. Presumably if consumers had to pay less money to get their tires

properly disposed of there wouldn't be as big an incentive for them to take them home with them.

118000 tires are tires that consumers have taken home and brought to amnesty.

What advantage is it to the consumer to not leave tire with retailer?

Who is affected by this? List of 17 stakeholder groups. What is the plan to educate? SWACK members educated legislators individually.

- e. Require consumers to leave a tire
- f. Tires used for AG
- g. Continue current approach of charging advance disposal fee but cap at some amount.

Comments from public: JR Williamson misunderstanding of what workgroup is and what will come out of it. Budget or reauthorize. For future waste tire program going to be reactive or proactive approaches. Why this one waste by product is treated different than any other product than any other waste by product? Give citizens a proper avenue of disposal. When can public look at a draft of proposal when a bill is drafted or pre-filed.

Goal of workgroup to get a proposal of core fee to legislature? Recommendation to get status quo off the table. Goals are established by 433. WTWG can only make recommendations to cabinet. Can't recommend until all members are in agreement.

***Amendment (Approved by WTWG during March 1, 2012 meeting):**

Suggestion by Keith Brock to look at cost of transportation as part of the \$3000 direct grant to counties.

New business:

- o No new business discussed.

Issues to Discuss at Next Meeting:

How landfill ban has caused more waste tires for next meeting.

Next meeting will be

Adjournment: Move to adjourn by Hatton, Fitzpatrick 2nd. Meeting adjourned at 12:42p,m